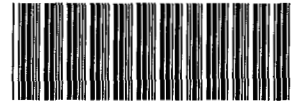


ORIGINAL



0000001084

RECEIVED

**SALT RIVER PROJECT**

P.O. Box 52025  
Phoenix, AZ 85072-2025  
(602) 236-5886  
Fax (602) 236-5444

**RICHARD H. SILVERMAN**  
GENERAL MANAGER

06

2004 MAR 17 A 9:15

AZ CORP COMMISSION  
DOCUMENT CONTROL  
March 10, 2004

RE-00000000-0377

Kristin K. Mayes, Commissioner  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

Dear Commissioner Mayes:

Thank you for your letter of March 3, 2004, regarding SRP's Sustainable Portfolio Process. As you know, the Salt River Project Board of Directors, facilitated by its consultant, is currently engaged in a process to establish Sustainable Portfolio Principles. This process includes receiving input from customers, stakeholders and other interested parties. Accordingly, your letter is both timely and appreciated.

In the course of the public process thus far, the Board has received comments and suggestions from a wide variety of interests and stakeholder groups. Included are advocates of solar, biomass and wind energy projects, advocates of distributed generation projects, and advocates of energy efficiency and demand-side management programs. All have provided, and continue to provide, very valuable information, input and ideas to the Board and the Board's consultant. We have also heard from SRP customers, who urge that SRP proceed carefully and responsibly.

We anticipate that all of these views will be included in the consultant report to the Board. The Board will carefully consider all of the various comments, including those contained in your letter, in formulating its final order adopting a set of principles.

Thank you for your interest. Should you wish to discuss this matter further, please do not hesitate to call.

Arizona Corporation Commission

DOCKETED

MAR 17 2004

DOCKETED BY	
-------------	--

Very truly yours,

Richard H. Silverman

cc: Chairman Marc Spitzer  
Commissioner William A. Mundell  
Commissioner Jeff Hatch-Miller  
Commissioner Mike Gleason

RECEIVED
MAR 16 2004
By _____